

Message Text

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SUBJ: MEDIA REACTION: CANADIAN/AMERICAN COMMITTEE
REPORT

REF: OTTAWA 3057, OTTAWA 3070

1. NEWSPAPER AND TELEVISION COMMENT ON REPORT ISSUED BY THE CANADIAN-AMERICAN COMMITTEE HAS BEEN SIGNIFICANTLY HEAVY IN PAST TWO DAYS. ALTHOUGH MOST OF THE COMMENT HAS BEEN MATTER-OF-FACT, FOCUSING ON WIRE SERVICE EXCERPTS, THE GENERAL TONE OF THE COVERAGE HAS BEEN SOMBER AND APPREHENSIVE. THE LEAD SENTENCE OF THE CANADIAN PRESS ACCOUNT SAID: "RELATIONS BETWEEN CANADA AND THE UNITED STATES HAVE BECOME TENSE AND THERE IS LITTLE CHANCE OF ANY SIGNIFICANT IMPROVEMENT IN THE NEAR FUTURE, SAYS A MAJOR NEW RESEARCH PROJECT RELEASED TODAY." CP WENT ON TO STATE: "THE CANADIAN-AMERICAN COMMITTEE, MADE UP OF BUSINESS, LABOR, AGRICULTURAL AND PROFESSIONAL LEADERS IN BOTH COUNTRIES, NOTES IN A REPORT THAT CANADA HAS UNDERTAKEN A NUMBER OF POLICIES IN RECENT YEARS AIMED AT PRESERVING AND ENHANCING ITS NATIONAL IDENTITY. THESE INITIATIVES, WHICH IN A NUMBER OF INSTANCES HAVE APPEARED TO OUTSIDERS TO BORDER ON PROTECTIONISM, HAVE COME AS OFTEN FROM PROVINCIAL GOVERNMENTS AS FROM

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THE FEDERAL GOVERNMENT." CP NOTES THAT THE REPORT POINTS OUT

THAT CANADIAN ACTIONS THREATEN TO CREATE A BACKLASH
AMONG AN INCREASING NUMBER OF U.S. CITIZENS.

2. THE NATIONALLY DISTRIBUTED TORONTO GLOBE AND MAIL,
IN AN EDITORIAL ENTITLED THE UNEASY FRIENDSHIP COMMENTS:
"CANADA AND THE UNITED STATES ARE BOTH IN TRANSITIONAL
PERIODS. CANADA IS ATTEMPTING TO ESTABLISH A MORE
DISTINCTIVE IDENTITY, PARTICULARLY IN RELATION TO THE
UNITED STATES. THE UNITED STATES IS HAVING TO READJUST ITS
ECONOMIC AND POLITICAL RELATIONS IN THE WORLD. THE TWO ARE
HAVING CLASHES WHICH COULD LEAD TO SERIOUS DIFFICULTIES IN
THE FUTURE." THE EDITORIAL NOTES THAT HOSTILITIES ARE
DEVELOPING FROM THREE ATTITUDES: "FIRST, THE CANADIAN
GOVERNMENT IS INTERVENING TO OVERRIDE NATURAL MARKET
FORCES IN ORDER TO IMPEDE THE DEGREE OF NORTH AMERICAN
INTEGRATION, WHILE RECENT U.S. GOVERNMENTS HAVE TENDED
TO LET THE MARKET GAIN MORE CONTROL. (PIERRE TRUDEAU HAS
REGULATED, GERALD FORD HAS DEREGULATED.) SECOND, BOTH
COUNTRIES ARE TRYING TO WALK THE FINE LINE BETWEEN
DEVELOPING THEIR OWN INDUSTRIAL CAPABILITIES AND
PROTECTIONISM. THIRD, THERE HAS BEEN A MOVE AWAY FROM
BILATERAL PROGRAMS, SUCH AS THE AUTO PACT, AND PART
OF THIS IS PROMPTED BY CANADIAN NATIONALISM AND PART BY
U.S. DETERMINATION TO PROTECT U.S. JOBS AND INTERESTS
(ENERGY SUPPLIES FOR INSTANCE)." THE GLOBE AND MAIL COMMENTS
THAT AMERICANS "THINK THAT THEY WERE PUSHED AROUND BY
CANADIANS WHEN CANADA REDUCED OIL EXPORTS WITHOUT NOTICE,
WHEN IT PUSHED TIME OUT, WHEN THE FOREIGN INVESTMENT
REVIEW ACT ESTABLISHED A SINGULARLY UNCOMMUNICATIVE BODY
TO LOOK OVER THE SHOULDER OF FOREIGN OWNED BUSINESSES
IN CANADA AND SAY NO EVERY ONCE IN A WHILE FOR NO
CLEARLY DEFINED REAS." THE EDITORIAL STATES THAT
THE COMMITTEE CAN SEE ALL THESE DISRUPTIONS LEADING
TO A FLIGHT OF CAPITAL FROM CANADA. "EVEN THE MOST ARDENT
NATIONALIST SHOULD NOT WISH TO SEE THE JOBS OF HIS
FELLOW CANADIANS SACRIFIED ON THE ALTAR OF ANTI-
AMERICANISM" THE EDITORIAL CONCLUDES.

3. THE MONTREAL GAZETTE TOOK A DEFENSIVE STANCE. CALLING
THE REPORT "YET ONE MORE DRESSING DOWN OF CANADIAN
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'NATIONALISM." THE GAZETTE COMMENTED: "CANADIAN POLICIES
IN THE NATIONAL INTEREST ARE SEEN, OF COURSE, AS
'NATIONALIST' WHILE U.S. POLICIES ARE JUST U.S.
POLICIES. THE CANADIAN NATIONALIST POLICIES ARE SEEN
AS AN ATTEMPT TO 'OVERRIDE NATURAL MARKET FORCES."
NATURAL MARKET FORCES BROUGHT ON BY THE YOM KIPPUR WAR,
THE ARAB OIL BOYCOTT, AND DECLARATION OF A NATIONAL
AMERICAN GOAL OF SELF-SUFFICIENCY? NATURAL MARKET FORCES

LIKE THE SWAMPING OF THE CANADIAN CULTURAL MARKET BY U.S. CULTURAL ENTERPRISES FED BY CANADIAN ADVERTISING DOLLARS? NATURAL MARKET FORCES LIKE THE ENTERPRISES CONSTITUTING THE WORLD'S MOST POWERFUL ECONOMY, AIDED IN REACHING THAT STATUS BY U.S. GOVERNMENT POLICY, TAKING OVER THE CANADIAN ECONOMY?" THE EDITORIAL CONCLUDES: "THE CANADIAN-AMERICAN COMMITTEE PURPORTS TO BE PROMOTING COOPERATION BETWEEN THE UNITED STATES AND CANADA. BUT WHAT THE REPORT REALLY DOES WITH ITS CONCENTRATION ON THE BAD VIBES IT PERCEIVES IN THE U.S. AS A RESULT OF CANADIAN POLICIES, IS TO URGE CANADIANS TO BE MORE DEFERENTIAL TO THE U.S. IT IS THE ARGUMENT THAT THE AMERICANS CAN ONLY LIKE US AS A PEOPLE IF THEY CAN FORGET ABOUT US AS A NATION. WE BETTER NOT BELIEVE IT."

4. PAUL WHITELAW, REPORTING FROM WASHINGTON IN THE OTTAWA JOURNAL NOTED THAT THE CANADIAN GOVERNMENT IS OFTEN LESS THAN CANDID IN REAVLING THE STATE OF U.S. CANADIAN RELATIONS AS ANYTHING LESS THAN "VERY HEALTHY". "A CASE IN POINT WAS THE CONTROVERSY IN OTTAWA LAST DECEMBER OVER THE DEPARTING REMARKS OF U.S. AMBASSADOR WILLIAM PORTER. HE STATED FRANKLY TO A GROUP OF REPORTERS AND COLUMNISTS THAT RELATIONS BETWEEN OTTAWA AND WASHINGTON WERE TROUBLED, LISTING A SERIES OF IRRITANTS RANGING FROM ENERGY POLICIES TO CULTURAL NATIONALISM." WHITELAW COMMENTED "EXTERNAL AFFAIRS MINISTER MACEACHEN MET WITH SECRETARY OF STATE HENRY KISSINGER WHO WAS QUOTED AS HAVING 'PRONOUNCED RELATIONS WITH CANADIAN TO BE IN GOOD SHAPE'." WHITELAW SAID THAT THE COMMITTEE'S REPORT WAS A NEW STUDY OF THE BILATERAL RELATIONSHIP AND IS "SOMETHING OF A GUSH OF FRESH AIR ACROSS THE 'UNDEFENDED BORDER'."

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5. RONALD ANDERSON, EDITOR OF THE PRESTIGIOUS REPORT ON BUSINESS SECTION OF THE GLOBE AND MAIL DEVOTED HIS ENTIRE COLUMN TO THE COMMITTEE'S REPORT. HE OBSERVED THAT THE INTRODUCTION DESCRIBED THE CURRENT SITUATION AS TENSE WITH LITTLE PROSPECT FOR NEAR TERM SOLUTION OF FUNDAMENTAL ISSUES. "THIS INTRODUCTION, WITH ITS EMPHASIS ON FESTERING ISSUES, TENSE RELATIONSHIPS, AND A POTENTIAL SERIOUS RUPTURE CAN HARDLY BE TAKEN AS A FAIR AND MODERATE SUMMATION OF DEVELOPMENTS. OBVIOUSLY, THERE ARE PROBLEMS AND UNRESOLVED ISSUES, PARTICULARLY IN SUCH AREAS AS ENERGY AND TRADE. BUT AN ENERGY CRISIS DOES EXIST IN WHICH EACH COUNTRY MUST LOOK FIRST, IF NOT EXCLUSIVELY TO ITS OWN INTERESTS: AND THE PATTERN OF ECONOMIC CYCLE IN THE TWO COUNTRIES DID CREATE BALANCE OF PAYMENTS PROBLEMS

WITH CANADA." ANDERSON CONTINUES: "CERTAINLY CANADA CANNOT EXPECT TO WIN IN EVERY POLICY ENCOUNTER WITH THE UNITED STATES, NOR WOULD IT BE REASONABLE OR RESPONSIBLE TO SEEK CONTINUALLY TO MAKE GAINS AT THE EXPENSE OF THE UNITED STATES. BEGGAR-MY-NEIGHBOR POLICIES ARE NEVER A SOUND BASIS FOR FOREIGN RELATIONS. HOWEVER, IT IS A LITTLE ABSURD OF THE COMMITTEE TO THROW TIME CANADA, CABLE TV, OIL AND POTASH IN THE SAME BASKET WITHOUT ACKNOWLEDGING THAT THESE ISSUES ARE DIFFERENT IN KIND AND IN MAGNITUDE OF IMPORTANCE." THE COLUMN CONCLUDES BY NOTING THAT EFFECT OF THE NIXON DOCTRINE WAS TO END THE OLD "SPECIAL RELATIONSHIP" BETWEEN CANADA AND THE U.S. AND THAT "CANADA DID NOT INITIATIVE THE BREAK IN POLICY." BUT CANADA "HAS TO LIVE WITH THE NEW FOREIGN POLICY POSTURE OF THE UNITED STATES."
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